

## Bankruptcy (Ireland) Bill.

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### ARRANGEMENT OF CLAUSES.

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A  
B I L L

TO

Amend the Law relating to Bankruptcy and Bankruptcy  
arrangements in Ireland. A.D. 1886.

**W**HEREAS it is expedient to amend the laws relating to bankruptcy in Ireland:

Be it enacted by the Queen's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:

1. This Act shall be construed together with so much of the Irish Bankrupt and Insolvent Act, 1857, as was not repealed by the Bankruptcy (Ireland) Amendment Act, 1872, and together with the Bankruptcy (Ireland) Amendment Act, 1872, except so far as the said Act of 1872 is not repugnant to anything contained in this Act. Construction of Act with 20 & 21 Vic. c. 60, and with 25 & 26 Vict. c. 58.

2. The terms in this Act shall have the same meanings as in the Irish Bankrupt and Insolvent Act, 1857, and in the Bankruptcy (Ireland) Amendment Act, 1872. Interpretation of terms.

3. Any debtor unable to meet his engagements with his creditors may petition the court for protection, on which petition the court is empowered to make an order granting such protection, but the said order shall cease to have any effect unless the debtor shall, within one week from the making thereof, file a statement of his affairs, showing in detail his liabilities and assets, and setting out the names and addresses of all his creditors and the sum or sums due to each creditor. The said statement shall show the status of each creditor as secured, partly secured, or unsecured; and it shall also set forth opposite each debt the consideration therefor. Debtor may petition court for protection and must file verified statement

(1.) The debtor shall at the same time file an affidavit, in the form in Schedule A. annexed hereto, verifying the said statement, and showing that no agreement for the purpose of promoting or carrying his composition or scheme of arrangement was entered into between him and any other person or persons, and that no The statement to be verified by affidavit

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understanding existed between him and any other person or persons, the meaning of which would be the giving a benefit or preference to any one or more creditor or creditors to the prejudice of the other creditors.

Provided always, that it shall and may be lawful to and for the debtor, with the leave of the court, to correct and supply any errors and omissions that may be in his said statement.

Official assignee to summon meeting of creditors and receive proof of debt and proxies.

4. The official assignee shall within *one fortnight* from the filing of the said statement summon a meeting of the creditors, of which meeting each creditor shall get not less than *six days* notice, and, together with the notice summoning the said meeting, he shall send to each creditor a copy of the debtor's statement, and also the offer of composition or scheme of arrangement. The creditors who are unable to attend the meeting, on receipt of said copy of debtor's statement and offer of composition, shall at once lodge by hand or registered letter with the official assignee sworn proof of debt and voting paper attached, said voting paper or proxy to state in the form as in Schedule B. whether they accept or do not accept the offer of composition so made; these sworn proofs and voting papers to be considered by the official assignee as proxies for the creditors who are not present or represented at this or any future meeting. The court shall have power, on cause shown, to extend the time for these purposes. Before a debtor can submit an offer of composition or scheme of arrangement he must first have obtained in writing the assent of three-fifths in number and value of his scheduled creditors to his offer or scheme of arrangement.

Official assignee to act as secretary to meeting, and to take evidence.

1. Such meeting shall be held at the chambers of the official assignee, or at such other place as, in the opinion of the court, shall be most convenient for three fifths in number and value of the creditors;
2. And the official assignee or his representative present at such meeting shall have power to examine on oath the debtor or any other person or persons whose evidence may tend to a complete disclosure of all facts and circumstances connected with the case, and the official assignee or his deputy shall attend such meeting and act as secretary thereof.

Official assignee to cause valuation of debtor's assets to be made.

5. The official assignee shall, if required by a resolution of the creditors at such meeting, cause a valuation of the debtor's property and assets to be made, and he shall adjourn the meeting for such time as, in the opinion of the majority of the creditors present or represented, shall be most convenient.

6. The creditors, by resolution, shall have power to adjourn such meeting from time to time or to such other place as they may deem desirable. A.D. 1880.  
Creditors may adjourn meeting  
Explanation of terms

7. The word "resolution" shall mean the decision arrived at by three fifths in number and value of the creditors present or represented by proxy or otherwise at such meeting, and the same shall be binding on all the other creditors, whether absent, present, or represented. Secured debts to the amount secured shall not be included in the debtor's liabilities, but shall be duly explained, as well as the consideration therefor.

8. At such meeting, or any adjournment thereof, the creditors shall have power to elect a chairman, who shall sign the minutes of the said meeting, and the said minutes shall form part of the proceedings and shall be placed on the record in the said matter. The debtor shall attend each meeting, unless his presence be dispensed with by a vote of a majority of the creditors, but the meeting may proceed in his absence, and any decision arrived at shall not be affected by reason of his absence. Power to elect chairman, and provision for attendance of debtor at meeting

9. The meeting may be adjourned for the purpose of having the debtor examined in court, if, in the opinion of a majority of the creditors present at such meeting, such examination would be advisable, and for the purpose of such examination the civil bill court shall have cognate jurisdiction with the Court of Bankruptcy. Debtor may be examined in open court

10. At such meeting, or any adjournment thereof, the creditors may by resolution accept the debtor's offer of composition or scheme of arrangement, or any modification thereof, or may reject the same and elect to have the debtor adjudicated bankrupt. Creditors may accept or refuse composition.

11. If the creditors accept the offer or scheme of arrangement, whether on the debtor's original or amended offer, the same shall be submitted to the court within one week, and the court shall ratify the same in the hearing and presence of the chairman of the meeting at which such assent was given, and if the chairman should not be able to attend, then in the presence and hearing of any one or more of the creditors present at such meeting. Composition to be submitted to the court for ratification.

12. If at any time facts come to the knowledge of the court showing that the petition for arrangement, composition, or scheme was brought about by fraud or collusion, the court shall have power to annul the said composition or scheme and to adjudicate such debtor bankrupt. Court in case of fraud may annul proceedings.

13. Every composition or scheme of arrangement shall by the official assignee be duly published in the Gazette in the terms thereof. The publication of a bill of sale to have the same effect as a petition for protection, and be deemed an act of bankruptcy. Composition to be published in London Gazette, and bill of sale to have same effect as petition for protection.

A.D. 1886.

No offer of  
composition  
can be made  
after adjudi-  
cation.

Court may  
commit  
debtor in  
case of  
fraud.

14. If a debtor shall have been adjudicated bankrupt, it shall not be afterwards competent to such debtor to make an offer of composition in respect to any of the debts returned upon his said statement.

15. When there is, in the opinion of the court, ground to 5 believe that the bankrupt or any other person has been guilty of any offence which is by statute made a misdemeanor in cases of bankruptcy, the court may commit the bankrupt or such other person for trial. For the purpose of committing the bankrupt or such other person for trial the court shall have all the powers 10 of a stipendiary magistrate as to taking depositions, binding over witnesses to appear, admitting the accused to bail, or otherwise. Nothing in this section shall be construed as derogating from the powers or jurisdiction of the High Court of Justice in Ireland.

Discharge  
from bank-  
ruptcy no  
safety in  
case of  
fraud.

16. Where a debtor has been guilty of any offence which 15 is by statute made a misdemeanor in cases of bankruptcy, he shall not be exempt from being proceeded against therefor by reason that he has obtained his discharge, or that a composition or scheme of arrangement has been accepted or approved.

Undis-  
charged  
bankrupt  
taking 20l.  
credit guilty  
of misde-  
meanor.

17. Where an undischarged bankrupt under this Act obtains 20 credit to the extent of twenty pounds or upwards from any person without informing such person that he is an undischarged bankrupt he shall be guilty of a misdemeanor, and may be dealt with and punished as if he had been guilty of misdemeanor under the Debtors Act (Ireland), 1872, and the provisions of that Act shall 25 apply to proceedings under this section.

Commence-  
ment of Act.

18. This Act shall come into operation on the *first day of January one thousand eight hundred and eighty-seven.*

Limit of  
Act.

19. This Act shall apply to Ireland only.

## SCHEDULES.

A.D. 1886.

## SCHEDULE A.

I, *A.B.*, being the debtor in this matter, make oath and say that the statement which I have furnished of my affairs is true in substance and in fact.

To the best of my knowledge, information, and belief I have truly set out all my creditors, classified as secured, partly secured, or unsecured, as well as the sum or sums due by me.

I further say that my sole reason for presenting my petition for protection was because I was unable to meet all my liabilities.

I say that the presenting of the said petition was honest and bona fide, and not due to any agreement, arrangement, or understanding between me and any other person or persons.

I say that I have not incorrectly set out any creditor or creditors in my said statement, and that it is not my intention or object to defeat or delay the claims of any of my said creditors, and that there is no collusion between me and any creditor or creditors, or any other person, the effect of which would be to prejudice the claims of any of my other creditors.

Sworn, &amp;c.

## SCHEDULE B.

I, *A.B.*, being a creditor in this matter to the amount of \_\_\_\_\_ owing to me by the debtor \_\_\_\_\_, as set forth in the annexed proof of debt, agree (or do not agree) to accept the offer of composition made in this case by the debtor, and hereby require and authorise the official assignee to act as proxy for me and vote at the next or any future meeting of creditors in this case so long as this proxy remains unaltered by me.

Signed \_\_\_\_\_

If in partnership, say \_\_\_\_\_

For self and partner or partners.

Dated this \_\_\_\_\_

day of \_\_\_\_\_

18 \_\_\_\_.

# Bankruptcy (Ireland).

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## B I L L

To amend the Law relating to Bankruptcy and Bankruptcy arrangements in Ireland.

(Prepared and brought in by  
Mr. Peter McDonald, Mr. O'Han, Mr. Scully,  
Mr. John O'Connor (Tipperary), and  
Mr. McCann.)

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